

FINANCE & APPROPRIATIONS
COMMITTEE

COMMITTEE ROOM – March 7, 2005
2:00 P. M.

PRESENT: Hons. Boyles, Chairman; Beard, Co-Chairman; Grantham and Williams, members; David Persaud, Finance Director; Mark Johnson, Landfill Department; E. W. Reece, Tax Assessor; Andy Tisdale, Attorney; Geri Sams, Procurement Director; Rick Acree, Facilities Management Dept; Yvonne Gentry, DBE Coordinator; Ron Crowden, Fleet Manager; Lena Bonner, Clerk of Commission.

Mr. Chairman: I've asked Mr. Crowden if we can discuss Item 6 at our next committee meeting so we'll defer that.

6. Discuss Fleet Maintenance contract which will expire on December 31, 2005.

Mr. Chairman: Item 15 was handled under Administrative Services and we can follow whatever the recommendation was on that.

15. Authorize Public Works and Engineering to enter into an agreement with The Mercer Group, Inc. to assist in the filling of engineering vacancies in the Public works Department at a cost not to exceed \$90,000. (See background information under Item 9 on Administrative Services agenda)

Mr. Chairman: Mr. Persaud has given us some information that we requested on the urban services district. I'd like to have two weeks to look that over and we'll discuss it at our next committee meeting if that's in agreement with the body.

1. Update from the Finance Director regarding a description of urban services. (Referred from February 21 Finance)

CONSENT AGENDA ITEMS:

5. Approve budget calendar for FY 2006.

9. Approve increased revenue for the local portion of the Juvenile Accountability Incentive Block Grant.

10. Approve increased revenue and equal expenditures for the CYCC Purchase of Services for Juvenile Offenders Program.

12. Amend the 2005 budget to include the account designated for NPDES fees collected for each acre of land disturbed in Augusta and for any fines collected associated with violations of the Erosion and Sedimentation Control Ordinance (account number 261-000000-3221220).

13. Authorize Public Works and Engineering to execute both option periods for the existing contract with AES for leachate monitoring quality at an annual

cost of \$8,626 to be funded from the current Solid Waste budget, Account No. 541-04-52.12999.

- 14. Authorize Public Works and Engineering to execute both option periods for the existing contract with EMA for groundwater monitoring at an annual cost of \$52,805 to be funded from the current Solid Waste budget, Account No. 541-04-52.12999.**

Mr. Grantham: I move that we approve the consent items and delete or defer the other items.

Ms. Beard: Second.

Motion adopted unanimously.

- 11. Approve funding for Main Street Augusta's Farmers Market for the years of 2005 through 2007.**

Ms. Jane Peel appeared before the committee regarding the above item and requested funding for advertising which will in turn increase the number of vendors who participate.

After a discussion about possible funding sources, Mr. Grantham: I'm going to make a motion that we give them from the urban services district contingency budget \$50,000 the first year, \$27,000 the second and zero the third year.

Ms. Beard: Second.

Motion adopted with Mr. Williams voting No.

- 2. Consider a request from Curtis Baptist Church for tax exempt status for the following parcels of property: 036-4-275-00-0, 036-4-256-00-0 and 036-4-194-00-0. (Referred from February 21 Finance)**

Mr. Reece: We met with Rev. Harris and our attorney and found a small technicality that was missed by the Board of Assessors staff and we're going to send it back so you can take this off the agenda.

After a discussion of the matter, Mr. Williams: I move we receive this as information.

Ms. Beard: Second.

Motion adopted unanimously.

4. Consider abatement of penalty on Map 12, Parcel 8.05 for 2004 tax bill for Augusta Inn and Conference Center.

Mr. Reece: This property was purchased in July of 2004 by the owner and the tax bill was sent to the old address.

Mr. Chairman: We have abated the penalty before in such cases.

Ms. Beard: I move that we abate the penalty.

Mr. Grantham: Second.

Motion adopted unanimously.

3. Report from the Finance Department regarding copies of remittances to Heery International, Inc. for the work they have performed for the City. (Referred from February 21 Finance)

Mr. Persaud: These are copies of the documentation of the payments of Heery's invoices.

Ms. Sams: In 2004 there was a total of \$203,941.30 in purchase orders of which two were disencumbered for \$20,000 making a payment to the company of \$183,941.30. Invoices not paid for 2005 total \$80,123.87 making a grand total for both years of \$264,065.17.

Mr. Williams: Who authorized the work for this company?

Mr. Russell: Heery has provided an annual report that outlines a breakdown of the work that was done, the authorization of that particular work and the scope of the contract that would involve having that work done for us.

Mr. Bob Munger, Mr. Don Green and Mr. David Kimmel from Heery appeared before the committee regarding the above item.

Mr. Munger: We have tried to summarize what we have done and have been reporting to Rick Acree on a regular basis.

Mr. Grantham: What was the original set up with your contract and who were you to report to?

Mr. Munger: We first came to a meeting the third week of January and we met with Mr. Kolb, Mr. Kuhlke and Teresa Smith. They wanted us to start immediately and the arrangement was that we were to work under purchase orders for the time being until the contract was finalized. The contract was finalized in late May or early June and we

were told to report to Public Works. Teresa Smith had us to report to Rick Acree and I don't think that was ever official, it was just a verbal thing at a meeting.

Mr. Acree: I received an e-mail directive from my director on roughly a Friday in January that there was a meeting held between Heery, former Commissioner Kuhlke and Mr. Kolb directing Heery to report on the following Monday and I was instructed that I was to requisition three purchase orders in the amount of \$10,000 each and that Mr. Munger would report on Monday and I was to make arrangements for him to begin work.

Mr. Williams: Who was that from?

Mr. Acree: Teresa Smith. The e-mail was from her.

Mr. Williams: There is some documentation that Mr. Gallop, who is a private firm, had met with me two or three times and was billing the city along with other commissioners. I never met with Mr. Gallop. I called Mr. Acree when I got this document and asked him about it and he said that's why he didn't approve those documents.

Mr. Acree: I'm going on some recollection here. I know that there was some discussion on Mr. Gallop's involvement in this contract. His role in the project was as community liaison and I don't know what precise functions he is to perform in that role. When I saw the invoices for his time, it included meetings with Purchasing, commissioners and Human Resources. I approved the remainder of Heery's invoices but that part of it I had questions on. I was not certain that the Commission was aware that when they had a meeting, that they would be billed for that time. So I did not approve that portion of their invoice.

Mr. Williams: I think Mr. Gallop did have some explanation down of what he was billing for. I have a problem of how we can disapprove of that and pay the other invoices where there is no documentation.

Mr. Butch Gallop: We can recall when I was placed back into the contract as community liaison. At that point I was given directives from the Commission itself to say that I would report to them and to Heery International. We have a scope of work on exactly what I do. I have been gathering information from sources to put a program together. I act as an interface between Heery and the Commission at times as requested. I met with you at the S & S Cafeteria to talk about minority participation in this contract. Then we had a phone conversation with Mr. Mays where we again talked about minority participation. I would talk to several commissioners to get advice on how I needed to move forward. There are other services that I have billed for that I have not been paid for and I am continuing to work on such things.

Mr. Williams: I do not remember meeting with you although I may have seen you at lunch. I know you left messages on my answering machine and I called you back a few times. I did not know you would be billing for this type of thing.

Mr. Kimmel: Our report provides information about the services we are performing. We have made some specific recommendations and they have the potential of saving this government over \$5.7 million dollars. I can't make you accept our recommendations, but you've asked us for our advice and everything we have done has been with the proper authorization as we understood it. The invoices we have submitted are of the same nature as those we usually submit for many different clients. There are clients who ask for additional information and that is not unreasonable to ask for. Had that request been made earlier, we would have provided it. We have met with the Administrator and that request has now come forward and in the future all of our invoices will be very specific to task against hours that are there. These documents you have been given will explain the events of the past, and in the future we understand your concerns and we will respond in a more detailed manner as you have requested.

Mr. Munger outlined some of the recommendations and costs for work involving the renovations at the Law Enforcement Center.

Mr. Russell noted that they have done some work that he has directed them to do on some specific projects in the last two months.

Ms. Sams: I need some direction as to how we would pay for their services so far this year.

Mr. Russell: My understanding was that they were brought on board for some specific programs in SPLOST, some of which had previous funding available, such as the Library, from which they would be paid.

After further discussion, Mr. Williams: I make a motion that we send our internal auditor, J. B. Cosnahan, in and let him look at everything and make sure everything is straight and level.

Mr. Tisdale: I think Heery is due for payment for their work from September through December of 2004 and January and February of 2005.

Mr. Russell: When Ms. Sams received those invoices it was after we had an initial conversation and I was directed to review the invoices. I've asked her not to pay anything until I reviewed the invoices so she was not processing those at my direction at this particular point in time.

Mr. Grantham: I'd like a little more input from the Administrator based on the contract and with the attorneys as to what is expected from Heery and what is expected from us so that once this is resolved one way or the other we'll know what direction we're going in without any questionable situation.

Mr. Williams: I'll amend my motion to include that and I'd like to have the contract come back to us also so we can review it.

Mr. Russell: I would concur with the recommendation that we bring in the auditor and I'd like to have him look at the financing aspect of this as well as the process based on the contract.

Mr. Grantham: I'll second the motion.

Ms. Smith: As you're looking at the process and with Heery coming in initially for the purpose of working with the Judicial Center as your defining process, I'd like to point out that a letter was issued to Mr. Acree giving him all authority to make decisions on behalf of the Public Works Department so the Director does not have a role in this particular part of that activity.

Motion adopted unanimously.

7. Approve the acquisition of Three (3) Marshal's Department vehicles for \$24,273.30 each from Bobby Jones Ford of Augusta, Georgia (lowest bid offer on Bid 04-139).

After a discussion, Mr. Williams: I don't know why we're not going to the new 500 Fairlane that is cheaper on gas and better looking too. It's just as big a car as the other one.

After further discussion, Mr. Williams: I'm going to make a motion that we approve this.

Mr. Grantham: I know that you've explained before about the Crown Victoria versus the other vehicles, but I'd like for you to get us some information based on that Fairlane 500 as to what the cost would be compared to this. I would like to be able to look to the future and to see what we can do to scale down a little bit.

Mr. Crowden: To scale down would be comparable to the Chevy Impala and the Dodge Intrepid. Both are being used in public safety capacity in other areas.

Mr. Grantham: Second.

Motion adopted unanimously.

8. Approve a budget increase in the amount of \$30,000.00 for the EEO Department operational expense from the General Fund Contingency to EEO Department.

Mr. Williams: We might be able to get at least half of this money from HED since it affects low and moderate income people. I'm going to make a motion we approve \$15,000 with the caveat that if we can get it from HED, we get the other \$15,000 from them and if not, that we'll come up with the other \$15,000.

Mr. Hankerson: I don't think we should do that.

Mr. Persaud: We have identified it as coming out of contingency.

Mr. Williams: Okay, so move.

Ms. Beard: Second.

Mr. Grantham: In the event that he does get it, it could go back in.

Motion adopted unanimously.

Addendum Item 1. Approve the retention of NFJ Investment Group as a manager without delay and request that they be invited to the next Pension Committee meeting.

Mr. Charlie May: This would allow the retention of NFJ Investment Group as a manager.

Mr. Williams: I move that we add and approve.

Mr. Grantham: Second.

Motion adopted unanimously.

ADJOURNMENT: There being no further business, the meeting was adjourned.

Lena J. Bonner
Clerk of Commission

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